

REPORT BY THE
AUDITOR GENERAL
OF CALIFORNIA

**THE DEPARTMENT OF SOCIAL SERVICES
COULD REDUCE COSTS AND IMPROVE
COMPLIANCE WITH REGULATIONS OF THE
IN-HOME SUPPORTIVE SERVICES PROGRAM**

REPORT BY THE
OFFICE OF THE AUDITOR GENERAL

P-630

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COULD REDUCE COSTS AND IMPROVE COMPLIANCE WITH
REGULATIONS OF THE IN-HOME SUPPORTIVE SERVICES PROGRAM

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March 25, 1987

P-630

Honorable Art Agnos, Chairman
Members, Joint Legislative
Audit Committee
State Capitol, Room 3151
Sacramento, California 95814

Dear Mr. Chairman and Members:

The Office of the Auditor General presents its report concerning the Department of Social Services' In-Home Supportive Services program. The report addresses the ways the department could reduce costs and improve compliance with regulations.

Respectfully submitted,

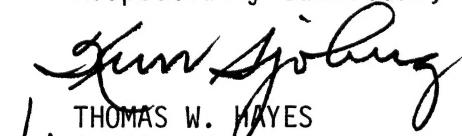

THOMAS W. HAYES
Auditor General

TABLE OF CONTENTS

	<u>Page</u>
SUMMARY	S-1
INTRODUCTION	1
CHAPTER	
I THE DEPARTMENT OF SOCIAL SERVICES COULD REDUCE THE COST OF PROVIDING IN-HOME SUPPORTIVE SERVICES	7
ADDITION ERRORS ON TIMESHEETS RESULT IN OVERPAYMENTS TO INDIVIDUAL AND CONTRACT PROVIDERS	7
SANTA CLARA COUNTY PAID ITS CONTRACT PROVIDER FOR MORE SERVICES THAN WERE AUTHORIZED	12
CONCLUSION	14
RECOMMENDATIONS	15
II THE DEPARTMENT OF SOCIAL SERVICES DOES NOT ALWAYS ENFORCE COMPLIANCE WITH REGULATIONS OF THE IN-HOME SUPPORTIVE SERVICES PROGRAM	17
COUNTIES ARE NOT ALWAYS ASSESSING CLIENTS' CONTINUING NEED FOR IN-HOME SUPPORTIVE SERVICES ON SCHEDULE	18
COUNTIES DO NOT VERIFY THAT CLIENTS OBTAIN IN-HOME SUPPORTIVE SERVICES	25
CONCLUSION	31
RECOMMENDATIONS	32
III SOME PROVIDERS OF IN-HOME SUPPORTIVE SERVICES TO ELDERLY AND DISABLED CLIENTS HAVE CRIMINAL CONVICTIONS	35
CONCLUSION	43
RECOMMENDATIONS	44

TABLE OF CONTENTS (Continued)

	<u>Page</u>
APPENDIX	
INFORMATION ON IN-HOME SUPPORTIVE SERVICES PROVIDERS WITH CRIMINAL CONVICTIONS	47
RESPONSE TO THE AUDITOR GENERAL'S REPORT	
HEALTH AND WELFARE AGENCY Department of Social Services	53

SUMMARY

RESULTS IN BRIEF

For fiscal year 1985-86, we estimate that Santa Clara and San Diego counties overpaid the providers of 931 (7.8 percent) of the 11,925 clients of the In-Home Supportive Services (IHSS) program approximately \$194,000. These overpayments occurred because providers completed their timesheets incorrectly and because the county welfare departments did not adequately verify the accuracy of these timesheets. Furthermore, Santa Clara County paid its contract provider an additional \$118,000 in fiscal years 1984-85 and 1985-86 because of the way it scheduled services to clients.

In addition, counties do not always reassess the need for continuing services to IHSS clients on schedule, nor do they verify that the providers have actually rendered the services they claim to have rendered to the elderly and disabled clients in the program.

Finally, under current law, the department is not authorized to screen providers of in-home supportive services to determine if they have criminal convictions as the department does in residential care programs for the elderly and disabled. We estimate that, in San Joaquin, San Diego, and Santa Clara counties, 709 (6.4 percent) of the 11,083 IHSS providers have criminal convictions. Providers who have a history of violent crime would be ineligible to serve as providers in residential facilities for the elderly, which serve a clientele similar to that of the IHSS program.

BACKGROUND

The IHSS program provides care to low-income aged, blind, or disabled persons who are unable to remain in their homes without assistance. A principal purpose of the program is to provide clients with an alternative to institutions

such as skilled nursing facilities. To achieve this goal, providers come into the clients' homes and perform services that include preparing meals, cleaning, and assisting with personal care. In fiscal year 1985-86, the federal, state, and county governments spent approximately \$392 million to provide these services.

The department administers the IHSS program statewide while the county welfare departments administer the program locally. IHSS services may be provided in three ways: clients may hire an individual provider themselves; counties may contract with agencies to provide services to clients; or the counties themselves may provide services directly to the clients. Counties may choose one of these methods or a combination of the three.

PRINCIPAL FINDINGS

Counties Authorized Overpayments to Individual and Contract Providers

For fiscal year 1985-86, we estimate that San Diego and Santa Clara counties overpaid the individual and contract providers of 931 (7.8 percent) of the 11,925 IHSS clients in the two counties by approximately \$194,000. The overpayments occurred because the providers submitted timesheets that contained addition errors, and neither the counties nor the contractors corrected these errors on the timesheets.

In addition, in fiscal years 1984-85 and 1985-86, Santa Clara County paid its contractor an additional \$118,000 because the county paid for hours of service that exceeded the hours authorized for each client. Santa Clara County has changed its procedures to avoid this problem in the future.

Counties Are Not Always
Assessing Clients' Continuing
Needs for Services on Schedule

State law requires county welfare departments to reassess each client's need for IHSS services at least once every 12 months. However, the three counties we visited did not always conduct reassessments of the need for continuing services on schedule. We estimate that caseworkers in San Joaquin, San Diego, and Santa Clara counties were late in conducting reassessments by an average of 49 days for 2,309 (16.7 percent) of the 13,787 cases. When caseworkers do not conduct reassessments on schedule, some clients may be authorized to receive either too little or too much service. Caseworkers are late in conducting reassessments because they sometimes schedule the reassessment to coincide with the end of the 12-month authorization period. In some cases, the end of the service authorization period occurs more than 12 months from the previous home visit.

Counties Do Not Verify That Clients
Obtain In-Home Supportive Services

Elderly and disabled persons are required to sign the timesheets of their providers to verify that the providers actually performed the services they claim. In the three counties we visited, we estimate that 1,397 (10.1 percent) of the 13,787 clients did not sign their providers' timesheets. In these cases, no other authorized person, including relatives, signed for the client. As a result, the IHSS program staff do not know whether IHSS clients actually obtained the services for which providers billed the program or whether providers served all the hours for which they were paid. Neither the county welfare departments nor the contractors verified the signatures of the elderly and disabled clients on the timesheets against the actual signatures of the clients.

Some Providers Have Criminal Convictions

Currently, state law does not authorize the department to screen providers to prevent persons with criminal convictions from caring for elderly and disabled IHSS clients. Other services for the elderly and disabled require the State to screen providers to ensure that the providers do not pose a risk to these clients.

Based on a review of the criminal records of both individual and contract providers, we estimate that 709 (6.4 percent) of the 11,083 providers in San Joaquin, San Diego, and Santa Clara counties have been convicted of crimes such as murder, assault with a deadly weapon, using and selling dangerous drugs, and petty theft. Providers who have a history of violent crime would be ineligible to serve as providers in residential facilities for the elderly, which serve clients similar to those of the IHSS program.

RECOMMENDATIONS

The department should take the following actions:

- Ensure that counties verify the accuracy of the timesheets submitted by both individual and contract providers and that counties do not pay contractors for services their employees perform for IHSS clients that exceed the number of hours clients are authorized to receive;
- Ensure that counties conduct annual reassessments of the continuing needs of IHSS clients every 12 months as required by state law and that counties review a sample of the timesheets of individual and contract providers at least once each quarter to compare the client's signature on the timesheet to the client's signature on the application for services; and

- Study the feasibility of obtaining information on the criminal convictions of all IHSS providers similar to the requirement for employment in residential care facilities for the elderly, and report its recommendations to the Legislature within one year. In the interim, the department should adopt a standard application form for all providers of IHSS that contains a question on the applicants' criminal convictions.

AGENCY COMMENTS

The Department of Social Services concurs with the Auditor General's recommendations concerning the department's In-Home Supportive Services program. However, the department does not believe it needs to conduct a study of the feasibility of obtaining information on the criminal convictions of providers in the IHSS program because it believes that the Auditor General's report adequately addresses the probable costs of such a system. In response to the remaining recommendations, the department will issue directives to the counties within 60 days and initiate other actions.

INTRODUCTION

The In-Home Supportive Services (IHSS) program provides care to low-income persons who are aged, blind, or disabled and who are unable to remain safely in their own homes without assistance. A principal purpose of the program is to provide clients with an alternative to institutions such as community care facilities and skilled nursing facilities. To assist persons to remain in their own homes, the IHSS program provides clients with a variety of services, including domestic chores such as sweeping, vacuuming, changing bed linen, preparing meals, and shopping for food and with nonmedical personal care such as assistance with dressing, bathing, and walking. In addition, IHSS providers may accompany clients to medical appointments. Under certain conditions, the program provides clients with paramedical services.

The Department of Social Services (department) supervises the IHSS program statewide, and county welfare departments administer the program at the local level. The department formulates regulations, allocates funds, arranges for payments to individual providers through a contractor and the State Controller's Office, and monitors the counties' operations. County caseworkers determine the client's eligibility for services, assess the type and amount of IHSS services the client needs, and arrange for the provision of services.

When county caseworkers assess a client's need for services, they determine how many hours of service the client requires. If the client requires 20 hours or more of personal service per week, the client is considered severely impaired and is eligible for a maximum of \$1,024 per month in IHSS assistance. If the client requires less than 20 hours of personal service per week, the client is considered nonseverely impaired and may receive a maximum of \$708 per month in assistance. As of September 30, 1986, 17,383 IHSS clients (14.8 percent) were severely impaired, and 100,062 (85.2 percent) of the 117,445 IHSS paid cases statewide were nonseverely impaired.

Each county welfare department uses one of three methods, or a combination of these methods, to deliver services. In September 1986, 94,943 IHSS clients (80.8 percent) chose to receive services from individual providers hired by the client at an average hourly cost of \$3.76. The second most common method of providing service is through providers employed by private agencies under contract to the county; 21,195 clients (18 percent) received services from contract providers at an average hourly cost of \$7.21. Finally, some counties supply services to clients directly through county employees; 1,385 IHSS clients (1.2 percent) obtained services directly from county employees at an average cost of \$9.43 per hour, which does not include the county's costs for overhead.

The federal, state, and county governments fund the IHSS program. The department estimates that the IHSS program spent

approximately \$392 million in fiscal year 1985-86. The federal government provided \$297 million, the State's General Fund provided \$83 million, and the counties provided the remaining \$12 million. For fiscal year 1986-87, the department anticipates a 9.2 percent increase in the cost of the program to approximately \$428 million. The department also estimates that the number of clients will increase from 116,000 in 1985-86 to 125,000 in 1986-87, a 7.8 percent increase.

SCOPE AND METHODOLOGY

The purpose of this audit was to evaluate the operation of the department's In-Home Supportive Services program. We focused on the verification of the charges that individual providers and contractors submitted to the counties, the payroll procedures used by the department and county welfare departments, county welfare departments' compliance with state laws and department regulations in opening and supervising IHSS cases and on the screening, hiring, and supervising of providers.

To evaluate the IHSS program, we visited 3 of the 58 county welfare departments in the State: the San Joaquin County Human Services Agency, the San Diego County Department of Social Services, and the Santa Clara County Department of Social Services. In fiscal year 1984-85, these counties accounted for \$31.8 million (10.5 percent) of the total \$303.5 million statewide program costs and 11,000

(10.4 percent) clients of the total 106,000 clients statewide. Each of these counties serves IHSS clients through both individual and contract providers.

To evaluate the verification of charges submitted to the county welfare departments by individual providers and contract agencies and to assess the payroll system at each county, we reviewed a random sample of the timesheets submitted by the providers of 369 of the 13,787 IHSS clients in the three counties for arithmetical accuracy. To ensure that each timesheet was signed by the recipient of the services, we also reviewed the timesheets of 357 of these 369 providers. In addition, we reviewed a sample of the billings submitted by the contract agencies in fiscal years 1984-85 and 1985-86.

We also selected a random sample of 351 of the 13,787 cases in the three counties to evaluate compliance with department regulations that require counties to assess an applicant's need and eligibility for IHSS services within 30 days of the date of application, to verify the eligibility of clients once every 12 months, and to reassess the client's need for service by visiting the client at least once every 12 months. We determined that each county we visited complies with department regulations to complete the initial assessment of the client's need for IHSS services within 30 days of the date of application and to verify the client's eligibility for IHSS services at least once each year.

To assess the screening, hiring, and supervising of providers, we submitted the names of random samples totaling 780 of the 11,083 providers in the three counties to the Department of Justice to determine whether these providers had criminal convictions. We also interviewed county IHSS social services supervisors and staff to determine the procedures the county uses to screen, refer, and supervise individual providers. Furthermore, we interviewed supervisors at each of the private contract agencies to determine their procedures for hiring and supervising providers.

In reviewing the case files of IHSS clients, we attempted to determine if elderly clients had been abused by their providers and whether the providers were individual or contract providers. However, the county IHSS programs do not systematically record this information, and, in reviewing the case files, we did not detect any evidence of suspected abuse of clients by their providers. Adult protective service units within county welfare departments receive and investigate reports of suspected abuse of the elderly. However, the adult protective service programs do not report whether the suspected abused person was an IHSS client or whether the alleged abuser was an IHSS provider.

To review the department's controls to prevent false billings for individual providers, we interviewed IHSS staff at the department and the staff of the State Controller's Office who are responsible for auditing county IHSS programs and preparing the individual provider payroll it receives from the department's contractor.

Finally, we presented the results of the audit to each of the county welfare departments we reviewed. We took the concerns of the county welfare departments into consideration in the audit report.

CHAPTER I

THE DEPARTMENT OF SOCIAL SERVICES COULD REDUCE THE COST OF PROVIDING IN-HOME SUPPORTIVE SERVICES

We estimate that, in fiscal year 1985-86, Santa Clara and San Diego counties overpaid the providers of 931 (7.8 percent) of the 11,925 In-Home Supportive Services (IHSS) clients in the two counties. Because these counties did not adequately verify that the total hours of service that providers claimed on timesheets were added correctly, we estimate that these two counties overpaid providers approximately \$194,000 in fiscal year 1985-86. In addition, Santa Clara County paid its contractor approximately \$118,000 for services that exceeded those authorized for individual clients in fiscal years 1984-85 and 1985-86. Santa Clara County did this to avoid disrupting weekly service to clients in months with more than 20 workdays. Both San Diego and San Joaquin counties adjusted the hours of service to avoid this problem with their contract providers.

ADDITION ERRORS ON TIMESHEETS RESULT IN OVERPAYMENTS TO INDIVIDUAL AND CONTRACT PROVIDERS

The department's regulations require the counties to review all timesheets before entering data into the department's automated payroll system for individual providers. In addition, the regulations require the counties to change payroll information to ensure that the IHSS individual provider receives correct payment. Also, the counties

may not authorize payment to providers for more hours than a provider actually worked. Finally, the department's regulations direct counties to demand repayment of any excess compensation to providers of in-home supportive services.

Overpayments to Individual Providers

To receive payment for service, individual providers record the hours they work daily in each semi-monthly pay period on a timesheet the counties supply to them. The providers total the hours on the timesheets, and clients sign the timesheets; then, providers submit their completed timesheets to the counties. When the payroll clerks in the three counties we reviewed receive the timesheets from the providers, they review the timesheets to ensure that the providers are not claiming more hours of service than the client is authorized to receive, and, in two of the three counties, they check for arithmetical accuracy.

In a financial audit of the Department of Social Services Welfare Advance Fund for fiscal year 1985-86, the Auditor General's Office discovered mathematical errors on 3 (6 percent) of a random sample of 50 IHSS timesheets it examined. To determine if the individual providers in our review are correctly claiming hours on the timesheets they submit to the counties, we reviewed a random sample of 179 clients with individual providers for the pay period beginning May 16, 1986, and ending May 31, 1986. We detected addition errors on

the timesheets in two of the three counties we reviewed. However, in San Joaquin County, where we reviewed the timesheets for 40 clients with individual providers, we found no arithmetical errors.

In San Diego County, 10 (11.9 percent) of the 84 timesheets we reviewed had addition errors; the average addition error overstated the number of hours worked by 1.8 hours. These discrepancies resulted in an average overpayment of \$6.78 per provider for each semi-monthly pay period. On the basis of the sample results, we estimate that for fiscal year 1985-86, San Diego County authorized overpayments amounting to approximately \$126,000 to the individual providers of 715 (11.9 percent) of the 6,006 IHSS clients with individual providers.

In Santa Clara County, we reviewed a sample of 55 timesheets. Three (5.5 percent) of the 55 timesheets contained addition errors. The average addition error overstated the number of hours worked by 1.1 hours for an average overpayment of \$4.20 per provider for the semi-monthly pay period we reviewed. On the basis of the sample results, we estimate that for fiscal year 1985-86, the county authorized overpayments amounting to approximately \$8,800 to the providers of 81 (5.5 percent) of the 1,481 clients with individual providers.

When the timesheets that providers submit to the counties are arithmetically inaccurate and counties' payments are based on inaccurate figures, the counties are paying excess compensation to

providers. For example, San Diego County paid a provider \$57.97 for 15.5 hours; however, the county should have paid only \$20.94 for 5.6 hours, the actual total on the timesheet. The county overpaid the provider \$37.08. Similarly, Santa Clara County paid a provider for 38 hours although the hours on the provider's timesheet totaled only 35.2 hours, resulting in an overpayment of \$10.39.

Since the counties are not always checking the addition of the daily hours on the timesheets providers submit to them, the counties are not identifying overpayments to providers. As a result, the counties cannot demand repayment from these providers, as the department's regulations require.

The reason that San Diego and Santa Clara counties authorize incorrect payments to providers is that these counties either do not check the addition at all or do not accurately check the addition of the hours claimed on the providers' timesheets. Further, the department has not adopted specific regulations requiring the counties to verify the arithmetical accuracy of provider timesheets. However, the payroll clerks in San Joaquin and Santa Clara counties do review the accuracy of the addition on the timesheets; San Diego County, which had the highest error rate, does not. Finally, the department does not regularly monitor the counties to ensure that the timesheets are added accurately.

Overpayments to Contract Providers
in San Diego County

The contractors in the three counties we reviewed use timesheets that are similar to those the counties use for individual providers. The contractors require that each employee's supervisor review the timesheets for arithmetical accuracy. The contractors should not pay their employees nor bill the counties for more hours of service than the contractors can document for their employees.

For two pay periods--May 16, 1986 through May 31, 1986, or June 1, 1986 through June 15, 1986--we reviewed random samples of timesheets for 190 cases in which the IHSS client was served by a contract provider. We found no addition errors in the 150 sample cases in San Joaquin and Santa Clara counties. However, 2 (5 percent) of the 40 timesheets in San Diego County were added incorrectly, resulting in an average overstatement of 2.5 hours worked. As a result, the county overpaid the contractor \$33.60 for the pay period. On the basis of our review of the sample of timesheets of contract providers in San Diego County, we estimate that the county overpaid the providers of 135 (5 percent) of the 2,709 IHSS clients with contract providers a total of approximately \$59,000 in fiscal year 1985-86.

San Diego County overpaid its contract provider because county staff did not monitor the timesheets of the contractor's employees. Timesheet errors were prevented in Santa Clara County because the county employs a clerk to review the contract provider's timesheets.

The clerk makes a weekly visit to the contractor and randomly selects 10 timesheets to review for arithmetical accuracy. The department has not adopted specific regulations that direct the county welfare departments to ensure that providers' timesheets are added correctly. Moreover, the department does not review the IHSS program in the counties to ensure that the timesheets are added correctly.

According to the chief of the department's Adult Services Bureau, the department met with the State Liaison Subcommittee of the County Welfare Directors Association's Adult Services Committee on January 12, 1987, to solicit suggestions from the association to ensure that provider timesheets do not contain addition errors. According to the chief of the Adult Services Bureau, the department will incorporate these suggestions into a directive to the counties.

SANTA CLARA COUNTY PAID ITS CONTRACT PROVIDER
FOR MORE SERVICES THAN WERE AUTHORIZED

When the counties assess each client's needs, the counties authorize a specified number of hours of service per month. The counties' provider contracts also prohibit payment to providers for more hours than the client is authorized to receive in a month. Department regulations define overpayment as payments for service in an amount that exceeds what the client was entitled to receive.

To determine if the three counties we visited are paying contract providers for more hours of service than the contractor's IHSS

clients are authorized to receive, we examined a sample of the monthly billings contractors submitted to San Joaquin, San Diego, and Santa Clara counties for fiscal years 1984-85 and 1985-86. Neither San Joaquin County nor San Diego County paid contract providers for more hours of service than the contractor's IHSS client was authorized to receive.

In Santa Clara County, some IHSS clients received hours of service that exceeded their monthly authorization level for 10 of the 14 months we reviewed from July 1984 through July 1986. As a result, the county overpaid the contractor approximately \$57,000 for these excessive hours of service during these months. Further, we estimate that the contractor billed the county for excessive hours of service in 21 of the 25 months from July 1984 through July 1986, resulting in overpayments to the contractor totaling approximately \$118,000.

The county overpaid the contractor because both the county and the contractor converted each client's level of authorized service from a monthly to a weekly schedule. Both the county's staff and the contractor's staff did this to ensure that IHSS clients would receive the same amount of service each week, regardless of the number of days in the month. One effect of converting hours of service from a monthly to a weekly basis is that the hours of service that clients receive exceeds the authorized number in months with more than 20 workdays.

San Joaquin and San Diego counties also contract with agencies to provide service to IHSS clients. However, neither of these counties converted the amount of authorized service from a monthly to a weekly basis. Rather, in these counties, the contractors adjust the number of hours of service per week so that they do not exceed the total number of monthly hours of authorized service for each client. Since our review, the Santa Clara County IHSS program has revised its procedures to conform to the practice employed in San Joaquin and San Diego counties.

Although the contracts between the counties and the contractors prohibit payments to providers for more hours of service than the counties authorize IHSS clients to receive, the department does not monitor county IHSS programs to ensure that the county payments to contractors comply with this provision of the contracts.

CONCLUSION

The Department of Social Services could reduce the cost of providing care to the clients of the In-Home Supportive Services program. We estimate that, in fiscal year 1985-86, Santa Clara and San Diego counties overpaid providers approximately \$194,000 because these counties did not verify that the total hours of service that providers claimed on the timesheets were added correctly.

In addition, Santa Clara County paid its contractor approximately \$118,000 for services that exceeded the amount authorized for individual clients in fiscal years 1984-85 and 1985-86. Santa Clara County did this to avoid disrupting weekly service to clients. Both San Diego and San Joaquin counties adjusted the hours of service to avoid this problem. Since our review, the Santa Clara County IHSS program has revised its procedures to conform to the practice used by San Joaquin and San Diego counties.

RECOMMENDATIONS

To ensure that there are no addition errors on the timesheets that individual and contract providers submit to county welfare departments, the department should take the following actions:

- Amend its regulations to require counties to ensure that the timesheets of providers are correctly added;
- Direct county welfare departments to select a sample of the timesheets of individual and contract providers at least once each quarter to verify that the timesheets are added correctly;

- Direct county welfare departments to collect any overpayments from providers or the contract agencies after the overpayments are identified; and
- Periodically review a sample of provider timesheets at each county to ensure the counties are complying with the department's directive to verify the addition on the timesheets and collect any overpayments resulting from addition errors.

To ensure that counties are not paying contract providers for more hours of service than individual clients are authorized to receive, the department should take the following action:

- Send a directive to the counties that contract with agencies for IHSS providers stating that the counties are not permitted to pay the contractor for services their employees deliver to IHSS clients that exceed the number of hours per month that individual clients are authorized to receive.

CHAPTER II

THE DEPARTMENT OF SOCIAL SERVICES DOES NOT ALWAYS ENFORCE COMPLIANCE WITH REGULATIONS OF THE IN-HOME SUPPORTIVE SERVICES PROGRAM

State and county governments need to increase efforts to guarantee compliance with the regulations of the IHSS program. Counties do not always conduct reassessments of the need for continuing services to IHSS clients on schedule. We estimate that caseworkers were an average of 49 days late in reassessing 2,309 (16.7 percent) of the 13,787 IHSS clients in the three counties we visited. As a result, the counties are authorizing either too little or too much service for some IHSS clients.

Furthermore, IHSS clients may not always obtain the services for which the providers bill the counties because the counties do not verify that clients received services by comparing the clients' signatures on their providers' timesheets to their actual signatures. We estimate that 1,397 (10.1 percent) of the 13,787 clients in the three counties did not sign their providers' timesheets. As a result, clients may not have received services from the providers, or the hours the providers claimed may not have been fully served.

**COUNTIES ARE NOT ALWAYS ASSESSING
CLIENTS' CONTINUING NEED FOR IN-HOME
SUPPORTIVE SERVICES ON SCHEDULE**

Section 12301.1 of the Welfare and Institutions Code requires county welfare departments to assess the continuing need for services of each IHSS client at least once every 12 months. The department has also adopted regulations that require caseworkers in county welfare departments to reassess the client's need for services at least once every 12 months. In addition, the department's policy and procedures manual requires caseworkers to have a face-to-face contact with IHSS clients at least once every 12 months to determine whether the clients can remain safely in their own homes without IHSS services.

The department is not ensuring that county welfare departments are conducting prompt reassessments of clients' continuing need for IHSS services. In San Joaquin, San Diego, and Santa Clara counties, we reviewed random samples of 351 clients who received services in June 1986 to determine if caseworkers in these counties are completing the annual reassessments promptly. Table 1 presents the results of our review of annual reassessments in these three counties.

TABLE 1
LATE REASSESSMENTS IN A SAMPLE OF CASES
IN THREE COUNTIES
1986

<u>County</u>	<u>Number of Cases</u>				<u>Average Number Days Late</u>
	<u>Total</u>	<u>In Our Sample</u>	<u>Late Reassessments</u>	<u>Percent</u>	
San Joaquin	1,862	94	4	4.3	10
San Diego	8,715	132	12	9.1	23
Santa Clara	<u>3,210</u>	<u>125</u>	<u>56</u>	<u>44.8</u>	<u>57*</u>
Total	<u><u>13,787</u></u>	<u><u>351</u></u>	<u><u>72</u></u>	<u><u>20.5</u></u>	<u><u>49*</u></u>

*As of December 15, 1986, Santa Clara County had completed the reassessment of 54 of the 56 cases with late reassessments. To avoid distorting the analysis, we excluded 2 cases without completed reassessments from the calculation of average late.

As Table 1 shows, caseworkers in these counties were an average of 49 days late in completing the reassessment for 72 (20.5 percent) of the 351 cases we reviewed. We estimate that caseworkers were late in completing the annual reassessment for 2,309 (16.7 percent) of the 13,787 recipients in these three counties.

The performance of each of the three counties in our review varies. Caseworkers in Santa Clara County were late in completing annual reassessments for more cases over a longer period of time than were caseworkers in the other two counties. However, the case with the longest delay was that of a 91-year old woman in San Diego County who

uses a walker at all times. She was due for reassessment on March 31, 1986, but the caseworker did not complete her reassessment until September 22, 1986, 175 days late.

Effects of Late Reassessments

When caseworkers in the counties do not complete annual reassessments of IHSS clients on schedule, the counties are not in compliance with state law that requires reassessments every 12 months and regulations that require face-to-face visits with the client every 12 months. Prompt reassessments help to ensure that clients are receiving services that are appropriate to their needs.

When caseworkers perform annual reassessments, they may take actions that include discontinuing the case, continuing the case with no change in the level of authorized service, authorizing fewer hours of service, or increasing the authorized number of hours of service. When caseworkers are late in completing clients' annual reassessments, some clients may be authorized either too little or too much service.

To determine the effect of late annual reassessments, we compared the number of hours of service the county authorized at the time of the previous assessment to the number of hours authorized after the new assessment. At the time of our review, caseworkers had completed the annual reassessment of 347 of the 351 cases in our samples. Of these 347 cases, 68 assessments were late. In 36

(53 percent) of these 68 cases, the county increased the number of authorized hours of service by an average of 13.6 hours per month. We estimate that 1,179 (8.6 percent) of the 13,787 clients in these counties had late reassessments in which their hours of authorized service were increased. As a result, these clients may not have been authorized enough service for the time between the due date of the reassessment and the date on which the reassessment was actually conducted. For example, in Santa Clara County, a caseworker increased the hours of service for a 57-year old female stroke victim from 11.7 to 118.8 per month. Since the caseworker was late in completing the annual reassessment, this client was without the increased level of service for 44 days.

In contrast, caseworkers in San Diego and Santa Clara counties decreased the number of hours of authorized service by an average of 9 hours per month for 8 (12 percent) of the 68 cases with late reassessments. We estimate that 252 (2.1 percent) of 11,925 IHSS clients in these two counties had their hours of service decreased as a result of their annual reassessment. For example, in Santa Clara County, a 76-year old female stroke victim had recovered sufficiently from her illness so that the caseworker reduced her hours of service from 170 to 113 per month.

When clients who have been reassessed late have their authorization for service reduced, they may have received more hours of service than they required from the end of the previous authorization

to their new assessment. As a result, the IHSS program may incur costs for services that are unnecessary. Two of the three counties in our sample may have paid for more than 115 hours of service at a cost of \$480 for the 8 cases that were reassessed late and in which the hours of service were decreased. For example, in the case involving the 76-year old stroke victim, Santa Clara County may have purchased an excess of 102 hours of service at a cost of \$381. We estimate that San Diego and Santa Clara counties may have spent a total of \$12,939 for excess service for the estimated 252 cases in which caseworkers reduced the authorized hours of service.

Another harmful effect of late reassessments is that the caseworkers are unaware of changes in the circumstances of the IHSS client. For example, a client with an individual provider may have been without the services of a provider for some time during the period since the previous assessment. If the caseworker is late in visiting the client, the county may be unaware of the client's need for a new provider, and the client may have to do without vital IHSS services. Without IHSS services, the client may be at risk and may require premature hospitalization or a more expensive level of care such as a skilled nursing facility. Also, a client's eligibility for IHSS may change or the client may move, recover, or die.

In June 1986, the San Diego County IHSS program surveyed its clients to ascertain their satisfaction with the program. The survey asked clients whether they had ever had an interruption in services

during the year and whether the interruption had caused them any inconvenience. Twenty-eight percent of the clients with contract providers who answered said that they had been inconvenienced by an interruption in service from their providers. Clients with individual providers reported that they were less likely to experience an interruption in service, but 59 percent said they were more likely to be inconvenienced by the interruption.

Reasons for Late Reassessments

Caseworkers were late in completing reassessments in San Joaquin and San Diego counties because they sometimes scheduled the reassessment visit to coincide with the end of the service authorization period. In some cases, the end of the service authorization period occurs more than 12 months from the previous home visit. In Santa Clara County, caseworkers were late in completing annual reassessments because supervisors assigned a low priority to reassessments during the conversion of IHSS cases to the department's automated Case Management Information and Payrolling System. Originally, the supervisors anticipated that the conversion would take no more than one month; however, it took almost two months. Although both San Joaquin and San Diego counties also converted their caseloads to the department's automated case management system at about the same time, neither county experienced as much difficulty as Santa Clara County in completing the annual reassessments promptly.

In San Diego County, one case had a late reassessment because the caseworker was new and not familiar with county policies regarding prompt reassessments of IHSS cases. The county states that this caseworker will receive additional training.

In addition, casework supervisors do not always monitor the caseworkers to ensure that they are completing the assessments promptly. In each county, a supervisor assigns cases to the caseworker whose task it is to assess the client. However, according to the casework supervisors, they are not always aware of whether the caseworkers are completing the reassessments on time. To assist supervisors in monitoring caseworkers, the department's computerized Case Management Information and Payrolling System produces a report each month that lists the cases due for reassessment by caseworker. The system also produces a report that lists cases in which reassessments are overdue. However, these reports did not become available to casework supervisors until mid-1986 or later.

Furthermore, according to the chief of the department's Adult and Family Services Operations Bureau, the department does not monitor the county welfare departments regularly to ensure that they comply with Department of Social Services' regulations for prompt completion of annual reassessments. The Adult and Family Services Operations Bureau conducted a review of 313 cases in 38 counties statewide in July 1985 and found that the counties failed to complete annual reassessments within 12 months for 9.2 percent of the cases reviewed.

Because the bureau reviewed cases statewide, it did not reach any conclusions about the level of compliance in individual counties. The bureau was, therefore, unable to recommend corrective action to specific county welfare departments. However, the department urged counties to study the review's findings to identify and correct problems in their own systems.

COUNTIES DO NOT VERIFY THAT CLIENTS
OBTAIN IN-HOME SUPPORTIVE SERVICES

The counties administering the IHSS program do not verify that elderly and disabled clients actually receive services from their providers. The department's policy and procedures manual requires IHSS clients to sign the timesheets of their individual providers. To receive payment for services, individual providers must submit timesheets to the county welfare department twice each month listing the hours they worked for the pay period. The timesheets must be signed by both the client and the provider. The policy of each of the contractors we reviewed requires clients to sign the timesheets of their providers before the contractors' employees are paid. The purpose of the signature requirement is to ensure that providers actually performed the services for the client.

In San Joaquin, San Diego, and Santa Clara counties, we reviewed randomly selected samples of timesheets in 357 cases for both individual providers (177 cases) and contract providers (180 cases). We compared the clients' signatures on the timesheets to the signatures

on their applications for social services, or on other documents in the case file that the clients signed in the presence of a caseworker, to determine if the clients signed the timesheets and if the signatures matched the signatures on the applications in the case file. If the signatures did not appear to match, or if the clients' signatures were missing altogether, we concluded that the clients did not sign the providers' timesheets. Table 2 presents the results of our review of client signatures.

TABLE 2
TIMESHEET SIGNATURES THAT DID NOT MATCH
IN THREE COUNTIES

County	Number of Cases			
	Total	In Our Sample	Without Matching Signatures	Percent Without Matching Signatures
<u>San Joaquin</u>				
Individual providers	545	38	9	23.7
Contract providers	<u>1,317</u>	<u>69</u>	<u>6</u>	8.7
Subtotal	<u>1,862</u>	<u>107</u>	<u>15</u>	14.0
<u>San Diego</u>				
Individual providers	6,006	84	10	11.9
Contract providers	<u>2,709</u>	<u>40</u>	<u>3</u>	7.5
Subtotal	<u>8,715</u>	<u>124</u>	<u>13</u>	10.5
<u>Santa Clara</u>				
Individual providers	1,481	55	6	10.9
Contract providers	<u>1,729</u>	<u>71</u>	<u>3</u>	4.2
Subtotal	<u>3,210</u>	<u>126</u>	<u>9</u>	7.1
<u>Three Counties</u>				
Individual providers	8,032	177	25	14.1
Contract providers	<u>5,755</u>	<u>180</u>	<u>12</u>	6.7
Total	<u>13,787</u>	<u>357</u>	<u>37</u>	10.4

In the cases we reviewed in the three counties, the signatures on the providers' timesheets of 37 (10.4 percent) of the 357 clients did not match their signatures on the application forms. In 2 (5.4 percent) of the 37 cases in which the signatures did not match, the signature of the client was missing from the timesheet altogether. Based on the results of our review, we estimate that the signatures on the providers' timesheets of 1,397 (10.1 percent) of the 13,787 clients in the three counties either did not match their actual signatures or were missing altogether.

In addition, the signatures of clients with individual providers were less likely to match the signatures on their applications than were clients with contract providers. The signatures on the providers' timesheets of 25 (14.1 percent) of the 177 clients with individual providers did not match the signatures on the clients' applications. In contrast, the signatures of 12 (6.7 percent) of the 180 clients with contract providers did not match the signatures on their contract providers' timesheets. Based on our samples, we estimate that the signatures on the providers' timesheets of 1,006 (12.5 percent) of the 8,032 clients with individual providers and 391 (6.8 percent) of the 5,755 clients with contract providers did not match their actual signatures or were missing altogether.

In some of the cases with a signature discrepancy, the client was a relative of the individual provider. In San Joaquin County, the individual provider was a relative of the client in 7 (78 percent) of

9 cases. In Santa Clara County, the provider was a relative in 3 (50 percent) of 6 cases, and in San Diego County, the provider was a relative in one (10 percent) of 10 cases. However, in none of these cases was the relative authorized to sign for the client.

When the signatures of IHSS clients on the providers' timesheets are missing or do not match the clients' signatures on the applications, the department and the county welfare departments do not know if the clients actually received the services from the providers or if the hours claimed by the providers were fully served. For example, in the two cases in which the clients did not sign the timesheets, the providers claimed a total of 118 hours of service at a cost of \$479 for May 16, 1986, through May 31, 1986. In another case of signatures that did not match, the provider claimed 76 hours of service at a cost of \$288. In both of these cases, the providers may not have worked any or all of the hours they claimed on their timesheets. As a result, the department may have paid providers for services they did not actually render. Moreover, IHSS clients may have been deprived of the services to which they were entitled.

Neither the county welfare departments nor the contractors monitor the timesheets submitted by providers to ensure that the signatures of the clients match their signatures on the application forms. They do not do this because the application forms are kept in individual case files, and, in each of these counties, the case files are not in the same location as the clerks who process the timesheets.

According to the payroll clerks in each county we visited, it is likely that comparing signatures would increase the workload and result in delays in paying the providers.

Although counties do not monitor the signatures of clients on the providers' timesheets, San Diego County does attempt to verify that IHSS clients receive services from their providers. Each year, the IHSS program sends a questionnaire to its clients that asks them whether their providers ever asked them to sign timesheets for hours that the providers did not work. In 1986, clients who responded "yes" to this question ranged from 2 percent for individual providers to 14 percent for contract providers.

Also, to prevent fraud, the State Controller's Office uses a computer program to match the names of all IHSS clients and providers with persons in the State who have died. This match of names is designed to detect clients or providers who received payments under the IHSS program and who are also listed as dead. The department advises the county of the matching names, and the county then investigates and reports the results to the department. This match is done twice a year.

According to the chief of the department's Adult Services Bureau, the department met with the State Liaison Subcommittee of the County Welfare Directors Association's Adult Services Committee on January 12, 1987. The department solicited the recommendations of the

association regarding how to ensure that the signatures of IHSS clients on their providers' timesheets match their signatures on the application for social services. The chief of the bureau stated that the department will incorporate the suggestions into a directive to the counties.

CONCLUSION

Counties are not conducting prompt reassessments of the need for continuing services to IHSS clients. We estimate that caseworkers were an average of 49 days late in reassessing 2,309 (16.7 percent) of the 13,787 IHSS clients in the three counties we visited. As a result, the counties may be authorizing either too little or too much service for some IHSS clients. The department does not monitor the counties regularly to ensure that they are completing the annual reassessments promptly. Also, casework supervisors in the counties are not monitoring their caseworkers sufficiently to ensure that the reassessments are completed when they are due.

In addition, the counties do not verify that IHSS clients obtain the services for which the providers bill the counties because the counties do not compare the signatures of clients on timesheets to the clients' actual signatures. We estimate that the signatures on the providers' timesheets of 1,397 (10.1 percent) of the 13,787 clients in the three counties

either did not match their actual signatures or were missing altogether. As a result, the counties do not know if the clients received services from the provider or if the hours the provider claimed were fully served.

RECOMMENDATIONS

To increase compliance with the department's regulations for the IHSS program, the department should take the following actions:

- Direct the county welfare departments to adopt and use procedures that require caseworkers to complete the annual reassessment within 12 months from the previous home visit rather than at the expiration of the current authorization period;
- Direct the county welfare departments to adopt and use procedures to monitor caseworkers to ensure that they complete annual reassessments promptly; and
- Periodically monitor the counties to ascertain whether the counties are complying with the department's regulations to conduct reassessments of all IHSS clients at least once each year.

To ensure that the signatures of IHSS clients on their providers' timesheets match the clients' signatures on the applications for social services, the department should take the following actions:

- Direct counties to select a sample of the timesheets of individual providers at least once each quarter and compare the clients' signatures on the timesheets to the clients' most recent signatures in the case file;
- Direct counties to select a sample of the timesheets of contract providers at least once each quarter to compare the clients' signatures on the timesheets to the clients' most recent signatures in the case file; and
- Periodically monitor the counties to ensure that the counties are verifying the signatures of clients on the timesheets of their providers.

CHAPTER III

SOME PROVIDERS OF IN-HOME SUPPORTIVE SERVICES TO ELDERLY AND DISABLED CLIENTS HAVE CRIMINAL CONVICTIONS

Current law does not authorize the department to obtain the criminal records of providers of care in the IHSS program to determine if they have criminal convictions. However, other programs serving the elderly or disabled are required by law to obtain the criminal records of those who provide care in their programs, and they may deny employment to providers with criminal convictions. We estimate that in San Joaquin, San Diego, and Santa Clara counties, 709 (6.4 percent) of the 11,083 IHSS providers have criminal convictions. Some of these providers who have committed a violent crime or who have been convicted of other serious crimes would be ineligible to serve as providers in residential facilities for the elderly, which serve clients similar to those served by the IHSS program.

Counties and Agencies Are Not Authorized To Screen Providers for Criminal Convictions

Neither the county welfare departments nor the agencies with whom the counties contract can obtain information on the criminal convictions of IHSS providers from the California Department of Justice. The Department of Justice can release information on criminal convictions only if authorized to do so by statute. Currently, the Department of Justice is not authorized to release this information for

providers in the IHSS program. However, the Department of Justice is authorized to release information on the criminal convictions of providers in other programs serving similar clients.

Section 1569.17 of the Health and Safety Code requires individuals whose contact with clients of residential care facilities for the elderly may pose a risk to the clients' health and safety to submit fingerprints to the Department of Justice. The Department of Social Services is required to obtain a criminal record for any person who provides assistance in dressing, grooming, bathing, or personal hygiene and for any staff person who has frequent and routine contact with the clients. If the applicant has been convicted of any crime other than a minor traffic violation, the Department of Social Services must deny the application. After reviewing the applicant's record, the department can grant an exemption if the applicant can demonstrate that he or she is of good character. However, an exemption cannot be granted to anyone who has been convicted of child abuse, sexual abuse of a child, or a violent felony.

Some Providers Have Criminal Convictions

Providers of in-home supportive services with criminal convictions pose a potential danger to the welfare and safety of elderly and disabled IHSS clients. For example, in Santa Clara County, a client alleged that her provider, who had a previous conviction for passing bad checks, stole \$100 from her purse and cashed checks she

stole from her by forging her name. The client has signed a warrant for the provider's arrest. The provider left California and, as of December 1986, the San Jose Police Department is seeking her extradition.

Clients may also be subject to more serious harm from providers who have criminal convictions. In another case in Santa Clara County, a provider with two previous convictions for forgery is currently awaiting trial for attempting to murder the client for whom she provided services by setting fire to his home. The county's district attorney has also charged the provider with arson, with theft for stealing over \$5,700 from the client by forging the client's signature, and with theft for continuing to receive payment of over \$1,000 from the county for services to a second client after that client's death. In addition, the client is suing the State and Santa Clara County for damages resulting from the alleged acts of the provider.

To determine if IHSS providers have criminal convictions, we selected random samples of individual and contract providers in San Joaquin, San Diego, and Santa Clara counties. We submitted the providers' names and other identifying information to the Department of Justice, which informed us of the age and type of criminal convictions of providers in our samples. Table 3 shows the results of our review of individual and contract providers in San Joaquin, San Diego, and Santa Clara counties.

TABLE 3
INDIVIDUAL AND CONTRACT PROVIDERS
WITH CRIMINAL CONVICTIONS
BY COUNTY

<u>County</u>	<u>Individual Providers</u>	<u>Contract Providers</u>	<u>Total</u>
<u>San Joaquin</u>			
Total providers in county	747	294	1,041
Providers reviewed	129	100	229
Providers with criminal convictions	15	5	20
Percent with criminal convictions	11.6%	5.0%	8.7%
<u>San Diego</u>			
Total providers in county	6,693	1,149	7,842
Providers reviewed	130	141	271
Providers with criminal convictions	7	8	15
Percent with criminal convictions	5.4%	5.7%	5.5%
<u>Santa Clara</u>			
Total providers in county	1,827	373	2,200
Providers reviewed	130	150	280
Providers with criminal convictions	11	11	22
Percent with criminal convictions	8.5%	7.3%	7.9%
<u>Three Counties</u>			
Total providers	9,267	1,816	11,083
Providers reviewed	389	391	780
Providers with criminal convictions	33	24	57
Percent with criminal convictions	8.5%	6.1%	7.3%

On the basis of the random samples of providers we reviewed in these three counties, we estimate that 602 (6.5 percent) of the 9,267 individual providers in these counties have criminal convictions. Further, we estimate that 107 (5.9 percent) of the 1,816 contract providers in these three counties have been convicted of crimes.*

The types of crimes for which the providers in our samples have been convicted range from murder to drunk driving. For example, the individual providers in San Joaquin County have 73 convictions, of which 30 involved theft or theft-related crimes such as forgery, receiving stolen property, or bank robbery. Crimes against persons included murder, battery, and battery on a police officer. Other convictions included prostitution, assault with a deadly weapon, and drunk driving. We also identified eight drug-related convictions. One provider with 30 convictions used 17 different names and four social security numbers. Her convictions ranged from drug-related problems and prostitution to assault with a deadly weapon. Based on the Health and Safety Code, Section 1569.17, most of these crimes would be grounds for the department to deny employment as providers in residential care facilities for the elderly. As Table A-4 in the Appendix shows, some providers with criminal convictions are related to the clients for whom they care.

*Since we could not confirm the identity of many of the persons in the samples we selected, these are conservative estimates based only on the providers whose identity we could confirm.

The Appendix presents additional tables and more detailed information on the number of convictions per provider, the dates of the convictions, and the relationship of the provider to the IHSS client.

Counties Do Limited Monitoring of Providers

The principal reason that neither the county welfare departments nor the contract agencies obtain the criminal records of providers in the IHSS program is that the Department of Justice can release information on criminal convictions only if authorized to do so by statute. In addition, both county and department officials maintain that the client is the employer of the individual provider and that the contract agency is the employer of the contract provider; therefore, it is the client's or the contract agency's responsibility to screen, interview, and hire the provider. The State and the counties are the employers only for certain limited purposes, such as to provide worker's compensation. However, clients lack the authority to obtain information from the Department of Justice on the criminal convictions of providers.

The county welfare departments maintain a file of persons who are interested in being individual providers. The file includes information such as their names, addresses, times available for employment, desired locations, and desired types of care. However, the county does not screen the applicant's qualifications or background. If a caseworker is aware of instances in which the applicant has

provided unsatisfactory service in the past, the applicant may not be referred to clients. When a client hires an individual provider either by a referral from the county's files or by some other means, the county collects information on the provider from the client for the statewide automated payroll system. This information includes only the name, address, and social security number of the provider.

When the contract agency hires providers, the agency interviews prospective employees and has them complete applications. The contractor also obtains references from the applicants and contacts the references to verify information contained in the application form. Further, the contractor asks the applicants if they have ever been convicted of a crime. However, applicants often lie about their previous criminal convictions on their applications. For example, in San Diego County, a provider stated on her application that she had never been convicted of a crime. However, in 1978 she was convicted of fraudulently obtaining welfare benefits. She was sentenced to one year in jail and three years of unsupervised probation.

As of January 1, 1987, both the counties and the contractors are required by law to obtain proof, such as a photo identification from a government source, of the identification of prospective providers. The department is currently formulating procedures to implement this law.

Estimated Cost of Screening IHSS Providers

We estimate that it would cost the department approximately \$8.75 per applicant to screen applicants by obtaining the criminal records of providers. According to the chief of the department's Residential Care and Data Systems Bureau, the bureau processes about 68,000 fingerprint applications per year. This work is carried out by 17 clerical staff in 13 district offices. The cost of supporting a staff of 17 clerical positions, according to the chief of the bureau, is approximately \$595,000 per year.

The IHSS program employs approximately 111,000 providers statewide. Further, we estimate that clients and contract agencies hire at least 22,200 new employees every year. Therefore, we estimate that at \$8.75 per application, the first-year cost of screening providers for the IHSS program would be approximately \$1.2 million. After the first year, the cost of screening providers would be approximately \$200,000 annually. In addition, the Department of Justice currently charges applicants a fee of \$17.50 to process their fingerprints and forward them to the department for review. If the applicant's fee were waived, as it is under the Community Care Facilities Act, the Department of Justice would require an estimated additional \$2.3 million in state funds the first year and approximately \$400,000 annually thereafter. Otherwise, the cost of the fingerprinting fee would be incurred by the applicant and not the IHSS program.

CONCLUSION

Under current law, the Department of Social Services is not authorized to obtain the criminal records of providers of care in the In-Home Supportive Services program to determine if they have criminal convictions. However, other programs serving a similar clientele are authorized by law to obtain the criminal records of those who provide service in their programs and to deny employment to providers with criminal convictions. We estimate that in San Joaquin, San Diego, and Santa Clara counties, 709 (6.4 percent) of the 11,083 IHSS providers in these counties have criminal convictions. Moreover, the county welfare departments do not screen, interview, or monitor individual providers they refer to IHSS clients. As a result, the health and safety of elderly and disabled clients of the program may be at risk. The department does not screen IHSS providers because it lacks the legal authority to do so and because the department considers the IHSS client to be the employer. We estimate the cost to the department to screen providers of IHSS would be approximately \$1.2 million in the first year and \$200,000 annually thereafter.

RECOMMENDATIONS

To determine whether the Department of Social Services should obtain the criminal records of providers in the IHSS program, as the department does in other programs serving similar clients, the department should take the following actions:

- Conduct a study to determine the feasibility and advisability of obtaining information from the Department of Justice on the criminal convictions of all providers in the IHSS program; and
- Report to the Legislature within one year on the results of this study. Include an estimate of the benefits and costs of obtaining providers' criminal records and recommend changes in the law, if necessary, to implement the program.

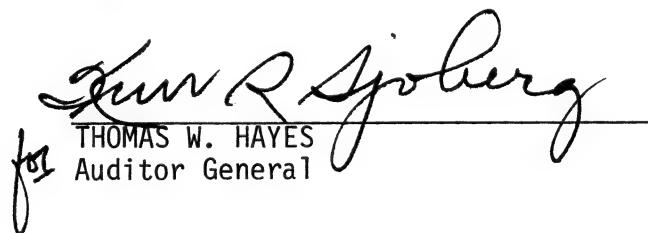
In the interim, the department and the counties should take the following actions:

- Develop a standard application form and information for clients to use when they interview and hire individual providers. The application form should include a question on whether the client has had a criminal conviction;

- Distribute the application form to clients at the time the county assesses clients for the IHSS program;
- Interview the applicants, have all applicants who want the counties to refer them as providers complete the application form, and verify the references on the form; and
- Require all contractors to state on an employee's application form whether the employee has any criminal convictions.

We conducted this review under the authority vested in the Auditor General by Section 10500 et seq. of the California Government Code and according to generally accepted governmental auditing standards. We limited our review to those areas specified in the audit scope section of this report.

Respectfully submitted,


for

THOMAS W. HAYES
Auditor General

Date: March 23, 1987

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APPENDIX

**INFORMATION ON IN-HOME SUPPORTIVE SERVICES
PROVIDERS WITH CRIMINAL CONVICTIONS**

The following tables present additional data on In-Home Supportive Services providers with criminal convictions. These data are based on our review of a random sample of 780 individual and contract providers in San Joaquin, San Diego, and Santa Clara counties. The California Department of Justice provided information on the criminal convictions of providers.

**Estimated Incidence of Criminal Convictions
Among In-Home Supportive Services Providers**

Table A-1 shows our estimate of the incidence of criminal convictions in the three counties. These estimates are based on the sample results presented in Table 3, page 38.

TABLE A-1
**ESTIMATED NUMBER OF INDIVIDUAL AND CONTRACT PROVIDERS
WITH CRIMINAL CONVICTIONS
THREE COUNTIES***

<u>County</u>	<u>Individual Providers</u>	<u>Contract Providers</u>	<u>Total</u>
<u>San Joaquin</u>			
Total providers in county	747	294	1,041
Providers with criminal convictions	87	15	102
Percent with criminal convictions	11.6%	5.0%	9.8%
<u>San Diego</u>			
Total providers in county	6,693	1,149	7,842
Providers with criminal convictions	360	65	425
Percent with criminal convictions	5.4%	5.7%	5.4%
<u>Santa Clara</u>			
Total providers in county	1,827	373	2,200
Providers with criminal convictions	155	27	182
Percent with criminal convictions	8.5%	7.3%	8.3%
<u>Three Counties</u>			
Total providers	9,267	1,816	11,083
Providers with criminal convictions	602	107	709
Percent with criminal convictions	6.5%	5.9%	6.4%

*Calculations of percent values for the combined totals are weighted by the numbers of providers for each method of delivering services in each county.

Number of Convictions

Table A-2 shows the number of convictions for both individual and contract providers in our sample. The 57 providers in the three counties have been convicted of 165 crimes.

TABLE A-2

**NUMBER OF CONVICTIONS
INDIVIDUAL PROVIDERS COMPARED TO CONTRACT PROVIDERS
THREE COUNTIES**

<u>County</u>	<u>Individual Providers</u>	<u>Contract Providers</u>	<u>Total</u>
<u>San Joaquin</u>			
Criminal convictions	15	5	20
Number of convictions	73	13	86
<u>San Diego</u>			
Criminal convictions	7	8	15
Number of convictions	29	10	39
<u>Santa Clara</u>			
Criminal convictions	11	11	22
Number of convictions	<u>26</u>	<u>14</u>	<u>40</u>
<u>Three Counties</u>			
Criminal convictions	33	24	57
Number of convictions	<u>128</u>	<u>37</u>	<u>165</u>

Dates of Convictions

Table A-3 provides data on when the 165 criminal convictions in our sample occurred. Almost a third (29 percent) of all convictions occurred since 1980. However, individual providers were more likely to have been convicted of a crime since 1980 (31 percent of convictions) than were contract providers (22 percent of convictions).

TABLE A-3

DATES OF CONVICTIONS
INDIVIDUAL PROVIDERS COMPARED TO CONTRACT PROVIDERS
THREE COUNTIES

<u>Dates of Convictions by County</u>	<u>Individual Providers</u>	<u>Contract Providers</u>	<u>Total</u>
<u>San Joaquin</u>			
Before 1970	20 (27%)	1 (8%)	21 (24%)
1970-1979	32 (44%)	9 (69%)	41 (48%)
1980-1986	<u>21 (29%)</u>	<u>3 (23%)</u>	<u>24 (28%)</u>
Subtotal	<u>73 (100%)</u>	<u>13 (100%)</u>	<u>86 (100%)</u>
<u>San Diego</u>			
Before 1970	7 (24%)	0 (0%)	7 (18%)
1970-1979	9 (31%)	7 (70%)	16 (41%)
1980-1986	<u>13 (45%)</u>	<u>3 (30%)</u>	<u>16 (41%)</u>
Subtotal	<u>29 (100%)</u>	<u>10 (100%)</u>	<u>39 (100%)</u>
<u>Santa Clara</u>			
Before 1970	8 (31%)	0 (0%)	8 (20%)
1970-1979	12 (46%)	12 (86%)	24 (60%)
1980-1986	<u>6 (23%)</u>	<u>2 (14%)</u>	<u>8 (20%)</u>
Subtotal	<u>26 (100%)</u>	<u>14 (100%)</u>	<u>40 (100%)</u>
<u>Three Counties</u>			
Before 1970	35 (27%)	1 (3%)	36 (22%)
1970-1979	53 (41%)	28 (76%)	81 (49%)
1980-1986	<u>40 (31%)</u>	<u>8 (22%)</u>	<u>48 (29%)</u>
Total	<u>128 (100%)</u>	<u>37 (100%)</u>	<u>165 (100%)</u>

Clients Served by Relatives

Table A-4 shows the number of providers in our sample with criminal convictions who are related to the clients they serve. As the table shows, the 57 providers with criminal convictions cared for a total of 181 clients. Twelve (6.6 percent) of the 181 clients are related to their providers. Also, the data indicate that individual providers are more likely to be related to the clients they serve (27.8 percent) than are contract providers (1.4 percent).

TABLE A-4
CLIENTS RELATED TO PROVIDERS WITH CRIMINAL CONVICTIONS
THREE COUNTIES

	<u>Individual Providers</u>	<u>Contract Providers</u>	<u>Total</u>
Providers with criminal convictions	33	24	57
Clients served by providers with criminal convictions	36	145	181
Clients served by providers with criminal convictions to whom they are related	10 (27.8%)	2 (1.4%)	12 (6.6%)

The number of providers who are related to clients may be higher than the data in Table A-4 indicate because the Department of Social Services does not require counties or contractors to gather information on whether the client is related to the provider.

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



March 17, 1987

Mr. Thomas W. Hayes
Auditor General
Office of the Auditor General
660 J Street, Suite 300
Sacramento, CA 95814

Dear Mr. Hayes:

OFFICE OF THE AUDITOR GENERAL'S (AGO) REPORT ENTITLED "THE DEPARTMENT OF SOCIAL SERVICES COULD REDUCE COSTS AND IMPROVE COMPLIANCE WITH REGULATIONS OF THE IN-HOME SUPPORTIVE SERVICES PROGRAM" (AUDIT CONTROL NUMBER P-630)

Mr. Allenby has asked me to respond to the above referenced draft report.

Enclosed you will find the comments prepared by the State Department of Social Services (SDSS) in response to the recommendations made in the above report.

If you have any questions regarding our comments, please contact me at (916) 445-2077, or have your staff contact Mr. Loren D. Suter, Deputy Director, Adult and Family Services Division, at (916) 445-6410.

Sincerely,

A handwritten signature in black ink.

LINDA S. McMAHON
Director

Enclosure

STATE DEPARTMENT OF SOCIAL SERVICES' RESPONSE

The State Department of Social Services (SDSS) comments concerning the report of the Auditor General's Office (AGO) entitled "The Department Of Social Services Could Reduce Costs And Improve Compliance With Regulations Of The In-Home Supportive Services Program" (Audit Control Number P-630)

AGO Recommendation 1

"To ensure that there are no addition errors on the timesheets that independent and contract providers submit to county welfare departments, the department should take the following actions:

- Amend its regulations to require counties to ensure that the timesheets of providers are correctly added;
- Direct county welfare departments to select a sample of the timesheets of individual and contract providers at least once each quarter to verify that the timesheets are added correctly;
- Direct county welfare departments to collect any overpayments from providers or the contract agencies after the overpayments are identified; and,
- Periodically review a sample of provider timesheets at each county to ensure the counties are complying with the department's directive to verify the addition on the timesheets and collect any overpayments resulting from addition errors."

SDSS Response

The SDSS will issue an All-County Letter within 60 days reminding counties of the regulatory requirement (Manual of Policies and Procedures Section 30-769) that counties ensure the accuracy of the timesheets and requesting copies of the procedures that counties follow to verify the accuracy of the timesheets. This will include specific reference to addition errors. The letter will also remind counties that timesheet errors which result in the payment of excess hours are subject to overpayment recovery regulations. The SDSS will include suggestions for county verification practices in the letter.

In addition, the SDSS will explore the feasibility of the State Controller's Office reviewing timesheets of providers on a sample basis as part of its audit of county welfare departments.

AGO Recommendation 2

"To ensure that counties are not paying contract providers for more hours of service than individual clients are authorized to receive, the department should take the following action:

- Send a directive to the counties that contract with agencies for IHSS providers stating that the counties are not permitted to pay the contractor for services their employees deliver to IHSS clients that exceed the number of hours per month that individual clients are authorized to receive."

SDSS Response

Within 60 days, the SDSS will provide written notification to contract counties of the requirement to ensure that paid hours do not exceed authorized hours as provided for in their contracts.

AGO Recommendation 3

"To increase compliance with the department's regulations for the IHSS program, the department should take the following actions:

- Direct the county welfare departments to adopt and use procedures that require caseworkers to complete the annual reassessment within 12 months from the previous home visit rather than at the expiration of the current authorization period;
- Direct the county welfare departments to adopt and use procedures to monitor caseworkers to ensure that they complete annual reassessments promptly; and
- Periodically monitor the counties to ascertain whether the counties are complying with the department's regulations to conduct reassessments of all IHSS clients at least once each year."

SDSS Response

With respect to the recommendation to increase county compliance with reassessment requirements, the SDSS will periodically monitor reports of overdue reassessments and identify counties with problems in this area and seek county corrective action. Santa Clara, the county identified by the audit as having the worst problem in this area, has already taken action to eliminate this problem. As of January 31, 1987, Santa Clara's overdue reassessments were reduced to 400, and Santa Clara projects no overdue reassessments by May 1, 1987.

The SDSS conducted statewide training in the fall of 1986 which provided instructions to counties on the use of the management reports generated by the statewide Case Management Information and Payrolling System (CMIPS), including the overdue reassessments reports.

AGO Recommendation 4

"To ensure that the signatures of IHSS clients on their provider's timesheets match the clients' signatures on the application for social services, the department should take the following actions:

- Direct the counties to select a sample of the timesheets of individual providers once each quarter and compare the clients' signatures on the timesheets to the clients' most recent signatures in the case file;
- Direct the counties to select a sample of the timesheets of contract providers at least once each quarter and to compare the clients' signatures on the timesheet to the clients' most recent signatures in the case file; and
- Periodically monitor the counties to ensure that the counties are verifying the signatures of clients on the timesheets of their providers."

SDSS Response

The SDSS will issue an All-County Letter within 60 days to remind counties of their responsibility to ensure that payments are made only when signed timesheets are received. The SDSS will also include the recommendation to spot check recipient signatures. In addition, the SDSS will explore the feasibility of the State Controller's Office reviewing the recipient signatures on the timesheets on a sample basis as part of its audit of county welfare departments.

AGO Recommendation 5

"To determine whether the Department of Social Services should obtain the criminal records of providers in the IHSS program, as the department does in other programs serving similar clients, the department should take the following actions:

- Conduct a study to determine the feasibility and advisability of obtaining information from the Department of Justice on the criminal convictions of all providers in the IHSS program; and
- Report to the Legislature within one year on the results of this study. Include an estimate of the benefits and costs of obtaining providers' criminal records and recommend changes in the law, if necessary, to implement the program."

SDSS Response

The SDSS does not believe that a study would provide any additional information on the benefits of a fingerprinting requirement. This report adequately addresses the probable costs of such a system which would either be borne by the SDSS or the SDSS and potential providers, most of whom have low incomes. (1)

AGO Recommendation 6

"In the interim, the department and the counties should take the following actions:

- Develop a standard application form and information for clients to use when they interview and hire independent providers. The application form should include a question on whether the client has had a criminal conviction;
- Distribute the application form to clients at the time the county assesses clients for the IHSS program;
- Interview the applicant, have all applicants who want the counties to refer them as providers complete the application form, and verify the references on the form; and
- Require all contractors to state on an employee's application form whether the employee has any criminal convictions."

*The Auditor General's comment appears on page 59.

SDSS Response

Beginning this fiscal year, the SDSS will explore the feasibility of developing a model application form for use by recipients with individual providers and by contract counties and counties which have registries of persons who want to be individual providers. The SDSS agrees that such a form would allow recipients to make more informed judgments in their selection of providers.

1 Auditor General's Comment: While the Auditor General's report estimates some of the costs of fingerprinting providers of In-Home Supportive Services, our recommendation requires the department to address both the costs and benefits of checking the criminal records of providers. One potential benefit would be the increased protection of clients from possible abuse by criminals providing services. Finally, our report requires the department to report its recommendations to the Legislature regarding whether state law should require the department to check the criminal convictions of providers in the In-Home Supportive Services program.

cc: Members of the Legislature
Office of the Governor
Office of the Lieutenant Governor
State Controller
Legislative Analyst
Assembly Office of Research
Senate Office of Research
Assembly Majority/Minority Consultants
Senate Majority/Minority Consultants
Capitol Press Corps